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Senator Roy Brown, Chair

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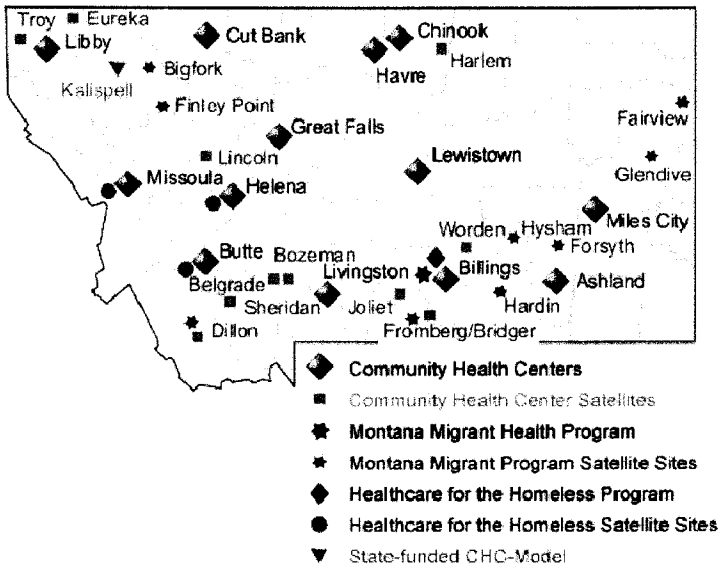
Senator Brown and Members of the Committee:

My name is Mary Beth Frideres and I work for the Montana Primary Care Association, representing Montana Community Health Centers.

Montana Community Health Centers 2009



There are 13 federally funded Community Health Centers and one state funded Community Health Center model clinic serving 32 sites across Montana. You may recognize them by their local names:

Ashland Community Health Center;
Community Health Partners in Livingston, Bozeman, and Belgrade;
RiverStone Health in Billings, Bridger, Worden, and Joliet;
Community Health Centers of Southwest Montana in Butte, Dillon, and Sheridan;
Sweet Medical Center in Chinook and Harlem;
Glacier Community Health Center in Cut Bank;
Lincoln County Community Health Center in Libby, Eureka, and Troy;
Community Health Care Clinic in Great Falls;
Bullhook Community Health Center in Havre;

Cooperative Health Center in Helena and Lincoln;
Flathead Community Health Center in Kalispell;
Custer County Community Health Center in Miles City;
Partnership Health Center in Missoula;
Montana Migrant Council in Billings, Fairview, Dillon and seasonal sites; and,
the newly funded Central Montana Community Health Center in Lewistown.

Community Health Centers (CHCs) are primary care clinics that receive a federal grant to provide comprehensive primary and preventive care (family doctor, family dentist) to low income and underserved communities. Their clinic fees are based on the patient's ability to pay (sliding scale). Services include medical, dental, and mental health visits, health education, disease screening, laboratory, pharmacy, and case management.

Community Health Centers must be located in high need areas and are open to all residents without regard to health insurance, ability to pay, and/or both.

What are Community Health Centers doing to keep the cost of care down?

1. **Community Health Centers served 79,937 Montanans in CY2007. Of those, 54% (43,424) were uninsured and 60% (47,944) had incomes under 100% of poverty (the very poor).**

   It is likely that without access to a Community Health Center, a very large number of these folks would have received care in a hospital emergency room. Some would have been admitted to hospitals with complications from unmanaged or poorly managed chronic illnesses, resulting in greater in-patient care costs that would probably have been shifted to other payment sources.

2. **Community Health Centers provide preventive education and work to find problems early through important age-related screening.**

   Do you receive reminders from your doctor and dentist to come in for screenings or immunizations that are recommended for your age? This is an important part of prevention-oriented care provided at CHCs. For example, for children, the use of car seats, seatbelts and proper tooth brushing is reviewed. For adults, smoking and exercise behavior is discussed, mammography is recommended, and cancer screenings are performed. Elderly patients receive accident prevention suggestions, cancer screening, and assistance with medication management.

3. **Health Centers have access to Federal Tort Claims Act (FTCA) coverage in lieu of purchasing malpractice insurance.** This means that the Federal Government will defend its interest in any suit brought against CHC staff or their boards. It also means that a large part of the federal grant does not have to be set aside to pay for malpractice insurance. In Montana, two communities have utilized this benefit to preserve baby delivery services that would have lost due to the high cost of malpractice insurance in the private sector.

4. **Community Health Centers have federal anti-kickback safe harbor for goods or services provided to CHCs from hospitals, specialists, and suppliers that contribute to the availability and quality of health center care to patients.**

In Montana, this has led to key partnerships with local hospitals, physicians, and businesses. For example, several Montana CHCs receive significant discounts for their patients for lab, x-ray, and other ancillary services from their local hospitals. Some specialists provide sliding fee discounts or provide pro bono services to health center patients. In rural and frontier communities, CHCs have contracts with local dentists and pharmacists. In other communities, hospitals have donated funds to CHCs for infrastructure development. Dental chairs and handsets have been donated and services to set up dental operatories have been provided at a reduced rate or free of charge. In addition, as reflected in Dr. Robert's testimony on Monday, Montana physicians, dentists, and other providers are welcome volunteers at Community Health Centers.

5. **The Health Resources and Services Administration (HRSA), which funds Community Health Centers, developed an initiative to integrate the Chronic Disease Management Model developed by the Institute of Healthcare Improvement into Community Health Centers nationally.**

   This program of continuous quality improvement helps centers to more effectively manage chronic conditions such as asthma, hypertension, diabetes, etc., to improve health outcomes (and reduce the cost of care). This year, Community Health Centers will be required to collect patient outcome data. Over time, they are expected to use this data to demonstrate improved health outcomes in their patient populations.

6. **Community Health Center patients have access to favorable drug pricing under Section 340 B of the Public Health Service Act.**

   Although discounts vary depending on the medication, this benefit can result in great savings for the consumer.

7. **Community Health Centers are doing their part to train providers and give them practice experiences in Montana.**

   As described by Dr. Roberts on Monday, primary care providers are becoming scarce. A workforce of highly trained primary care physicians and dentists is necessary to keep costs down in the future. RiverStone Health in Billings, one of our CHCs, is home to the Montana Family Medicine Residency program. This program has given family practice physicians experience in Montana clinics.

   In addition, Montana CHCs have provided training sites for dental students, midlevel students (APRNs, PAs), nurses, and other health professional students. These Montana site experiences help recruitment efforts and reduce recruitment costs.

<u>What are your recommendations to the Montana legislature?</u>

1. **Do whatever you can to provide Montana communities wishing to develop or expand CHC clinics an advantage for the federal funds.**

The national competition for Community Health Center grants is fierce. The applications must be well thought out and well-written. Advantages include having a clinic up and running as a 501c(3) non-profit corporation with a board whose composition meets the requirements of the federal law for CHCs. CHC-model clinics with providers who are seeing patients, developed health records, and the ability to bill for services move to the top of the funding order.

LC 785, to be introduced by Rep. Hunter, will provide funding for the Community Health Center Support Act passed by the 2007 legislature. These state funds are crucial in establishing the advantages described above. They also help rural and frontier communities which might not have a patient population large enough to attract federal funding without established services and they can be used to expand services through existing health centers.

2. **Do whatever you can to give Montana communities an advantage in recruiting primary care providers.**

   A state loan repayment program similar to what Montana has developed to recruit physicians is needed for dentists and other providers who wish to serve in rural areas. We are losing providers to other states that offer these funds.

   HB 96, to be introduced by Rep. Hamilton, would establish a state loan repayment pool for dentists providing care in underserved areas and offer a program to coordinate dental student placement in CHCs and provide a stipend for student expenses.

3. **Support the development of electronic medical records.**

   Electronic medical records will eliminate unnecessary tests, help providers to manage care, help providers to improve the quality of care, reduce costs and facilitate a higher level of patient safety.

   HB86, to be introduced by Rep. Sands, would support a pilot project for electronic health records.

Thank you for your consideration.